

Staff Report and Recommendations, Item 6 Meeting of May 24, 2023

County of Ventura • Resource Management Agency

800 S. Victoria Avenue, Ventura, CA 93009-1740 • (805) 654-2478 • www.vcrma.org/divisions/planning

I. PROJECT INFORMATION:

A. Subject: The purpose of this hearing is for your Ventura County Mobile Home Park Rent Review Board ("RRB" or "Board") to consider a service reduction petition that was filed with the County of Ventura ("County") pursuant to the Ventura County Mobile Home Park Rent Control Ordinance ("Rent Control Ordinance") by 21 tenants ("petitioners") occupying a total of 19 spaces of the Casitas Springs Mobile Home Park (Case No. MH22-0017). Pursuant to Section 81005(f) of the Rent Control Ordinance, an unauthorized rent increase may occur when significant housing services are permanently reduced or disrupted for an unreasonable length of time without a corresponding reduction in the dollar amount of the space rent. This service reduction petition process provides a means for mobile home park tenants to seek relief from such a service reduction.

B. Petitioners' Representative: Glenn Berry

Golden State Manufactured-Home

Owners League (GSMOL) 166 Don Antonio Way

Ojai, CA 91320

Petitioners: Susan Gordon

8951 Nye Road, Space 1

Ventura, CA 93001

Alonzo Bustillos

8951 Nye Road, Space 7

Ventura, CA 93001

Judy Dixon

8951 Nye Road, Space 8

Ventura, CA 93001

Carl Branham

8951 Nye Road, Space 10

Ventura, CA 93001

Janice Williams

8951 Nye Road, Space 11

Ventura, CA 93001

Richard Curl

8951 Nye Road, Space 13

Ventura, CA 93001

Lizbeth Obregon

8951 Nye Road, Space 14

Ventura, CA 93001

Aaron Cooper

8951 Nye Road, Space 17

Ventura, CA 93001

Daniel Lima

8951 Nye Road, Space 18

Ventura, CA 93001

Alma Martinez

8951 Nye Road, Space 19

Ventura, CA 93001

Jean Green

8951 Nye Road, Space 22

Ventura, CA 93001

Harold Williams

8951 Nye Road, Space 22

Ventura, CA 93001

Deane Brock 8951 Nye Road, Space 23 Ventura, CA 93001

Teresa Flores 8951 Nye Road, Space 32 Ventura, CA 93001

O. Dixon 8951 Nye Road, Space 34 Ventura, CA 93001

Pete Marshall 8951 Nye Road, Space 36 Ventura, CA 93001 Dale and Julie Ross 8951 Nye Road Space 30 Ventura, CA 93001

Carmelo DeSantiago 8951 Nye Road, Space 33 Ventura, CA 93001

Cermeno Mynor 8951 Nye Road, Space 35 Ventura, CA 93001

Lola Ruiz 8951 Nye Road, Space 38 Ventura, CA 93001

C. Property Owner: Benjamin Garcia

792 Via Ondulando Ventura, CA 93003

Property Manager: James Garcia

8951 Nye Road #2 Ventura, CA 93001

- **D.** Request: An initial service reduction petition was filed with the County on August 17, 2022, by 16 tenants of the park (Exhibit 2). A revised petition, signed by an additional five tenants (21 total), was filed with the County on November 16, 2022 ("Petition") (Exhibit 3), alleging the following nine issues in support of the alleged service reduction at the park:
 - 1) Power outages, surges, and unsafe electrical connections;
 - 2) Sewage backups occur both inside and outside homes;
 - 3) Inoperable/insufficient laundry facilities and the homeowners are not allowed to have washing machines in their homes;
 - 4) Lack of trimming or maintenance of trees, resulting in cracked and raised pavement:
 - 5) Power meters are not being calibrated or replaced as needed;
 - The manager/owner does not post or distribute notices or information required by the Mobile Home Residency Law;
 - 7) It is impossible to contact the owner of the park;
 - 8) The park's owner failed to respond to two certified written requests for a meeting to discuss the park homeowners' concerns; and
 - 9) The owner did not respond to two certified written requests for park ownership information.

E. Project Location: Casitas Springs Mobile Home Park, located at 8951 Nye Road, Ventura, CA 93001 (36 spaces).

F. Applicable Sections of the Ventura County Rent Control Ordinance and Procedures:

The RRB-adopted Resolution No. RRB16-001 (Exhibit 1) establishes administrative rules governing service reduction petition procedures for Section 81005(f) of the Rent Control Ordinance. Pursuant to Section 81005(f), an unauthorized rent increase may occur when significant housing services are permanently reduced or disrupted for an unreasonable length of time without a corresponding reduction in the dollar amount of the space rent.

Housing services are defined in the Rent Control Ordinance as "services provided by the park owner related to the use or occupancy of a mobile dwelling unit space, including, but not limited to, water and sewer, natural gas, electricity, refuse removal, management and administration (including employee salaries and fringe benefits), maintenance and repairs, supplies, advertising, recreational facilities, laundry facilities, parking, security services, insurance, property taxes, other governmental assessments, and other costs reasonably attributable to the operation of the park." (Rent Control Ordinance, Section 81001.) The term "housing services" does not include legal fees or mortgage payments, whether for principal, interest or both. (Rent Control Ordinance, Section 81001).

Resolution No. RRB16-001 outlines the process and findings for a service reduction petition. First, a majority of affected homeowners must concur in writing that a specific enumerated reduction in service has occurred. Following this, the majority or a designee of the affected homeowners must have attempted a good faith effort to resolve the dispute through the mediation process. It is generally the responsibility of the petitioner to engage the services of a mediator or neutral third party, with assistance by staff, as needed. Before the RRB can hear any service reduction petition, it must be demonstrated that park management has refused to participate in the mediation process or that the attempt to mediate with both parties participating in good faith was unsuccessful.

Upon the RRB's review of the petition at a public hearing, the RRB may make a finding that there is a significant, permanently reduced housing service, or that a significant housing service has been disrupted for an unreasonable length of time without a corresponding reduction in the dollar amount of the space rent.

Factors to be considered when making this finding include the following:

- (1) Normal wear and tear of the common area facilities and/or the mobile home space does not constitute a service reduction;
- (2) Any reduction which results in a cost savings to the park owner;
- (3) The affected area;
- (4) The length of time;
- (5) The degree of discomfort;
- (6) The extent to which the reduction causes the rental unit(s) to be uninhabitable;
- (7) The extent to which the reduction causes a material reduction in the usability of the park; and,
- (8) Other factors deemed relevant.

II. DISCUSSION:

Casitas Springs Mobile Home Park is a 36-space mobile home park located in the unincorporated Ventura County community of Casitas Springs. The park has been owned and operated by Mr. James Garcia since 2010 and all park spaces are subject to the Rent Control Ordinance. Some utility services are provided by the park owner while residents are responsible for others. Specifically, refuse collection and septic system services are provided by the park owner, while tenants are responsible for water, gas, and electricity costs.

A. Current Status of Park Rent Increases at Casitas Springs Mobile Home Park

1) Service Reduction Petition & Attempts to Mediate

On August 17, 2022, the petitioners' representative, Mr. Glenn Berry, submitted an initial service reduction petition to Planning Division staff (Exhibit 2) alleging the nine issues summarized above and signed by 16 tenants residing at 14 of the spaces in the park. Refer to Exhibit 2 for photos of the alleged issues and a more detailed description of each item. Subsequently, staff informed the petitioners' representative that Resolution No. RRB RRB16-001 requires that a majority of affected homeowners or their designee attempt in good faith to resolve the dispute with the park owner and/or manager through the mediation process. On November 16, 2022, Mr. Berry resubmitted the operative service reduction Petition to staff (Exhibit 3) alleging the same nine issues and signed by 21 tenants residing at 19 of the spaces in the park (53% of all spaces). Mr. Berry informed staff that the attempt to mediate was unsuccessful due to a lack of pro bono mediation services available. Mr. Berry indicated that he had spent approximately 20 hours contacting potential mediators from the Ventura County Superior Court and the Ventura County Conflict Resolution Institute without success in locating a low or no-cost mediator who would take up the issue. In addition, the park owner indicated a willingness to

participate in mediation and offered approximately \$2,000 in funding towards the cost of a mediator. Despite a good faith effort on both sides, mediation was not a viable option for this service reduction petition.

On behalf of the petitioners, Planning Division staff personally reached out to the Housing Rights Center, Ventura County Law Library staff, and the District Attorney's Consumer Mediation Unit without success in locating a potential mediator. Staff learned that true low or no-cost pro bono attorneys are rare and there appeared to be none willing to take on mediation related to a mobile home park dispute. In this case, mediation was attempted but proved infeasible and the intent of this step in the service reduction process is not to prevent petitioners from bringing a service reduction request to your RRB, but to encourage the parties to attempt to resolve the dispute in good faith. In February 2023, Dave Ward, Ventura County Planning Director, determined that the service reduction petition should be presented to your RRB for consideration.

2) Ministerial Rent Increase Application

On November 7, 2022, Mr. Benjamin Garcia, park owner, submitted an application for a annual ministerial rent increase for the park pursuant to Section 81005 of the Rent Control Ordinance. Mr. Garcia's request consisted of a proposed 8% increase in space rent, to be effective February 1, 2023. On May 5, 2023, following the park owner's correction of deficiencies in the application, Planning Division staff approved the rent increase, effective at such time. Once Planning Division staff receives an application that is accurate and complete, the Planning Division is required to approve the ministerial rent increase application if it complies with Section 81005.

B. Local and State Enforcement Authority at Mobile Home Parks

Mobile home parks in California are governed by the Mobilehome Parks Act, which includes regulations specific to park construction, maintenance, use, occupancy, and design. The County has very limited authority with respect to park maintenance in a mobile home park. This is due to California mobile home park laws which convey most land-use authority and enforcement jurisdiction to the California Department of Housing and Community Development (HCD) for mobile home parks that are not owned, operated, and maintained by the County. In this way, mobile home parks differ significantly from most other County-approved land uses. Pursuant to the Mobilehome Parks Act, HCD is further tasked with oversight and regular inspections of mobile home parks.

For this reason, the authority of the Rent Review Board is limited to rent control and enforcement of the Rent Control Ordinance at parks located within the County unincorporated areas that are not otherwise exempt from the ordinance. In general, many mobile home park tenants' concerns involve leasing disputes, park rules and regulations,

California law governing mobilehome parks is entitled the "Mobilehome Parks Act" and may be found in Section, Part 2.1 of the California Health and Safety Code, commencing with section 18200.

and physical improvement standards, which are governed by the Mobilehome Residency Law (MRL), found in Section 798 et seq. of the Civil Code, but are not enforced by the County.

The MRL is the "landlord-tenant" law for mobilehome park residency, governing the rights of park tenants. The MRL is found in section 798 et seq. of the Civil Code; its implementing regulations, which are set forth in title 25 of the California Code of Regulations, govern various health and safety aspects of a mobilehome park. The MRL, like provisions of conventional landlord-tenant law, is enforced by the courts, not by HCD or the local jurisdiction. For example, a park owner must utilize an unlawful detainer procedure in a court to evict a homeowner for non-payment of rent or failure to abide by reasonable park rules. By the same token, a manufactured homeowner must bring legal action, in civil court, to enforce a notice or other MRL requirement, or obtain an injunction, if the management will not otherwise abide by the MRL.

Beginning July 1, 2020, the Mobilehome Residency Law Protection Act established a new avenue for pursuing violations of the MRL for tenants of mobilehome parks. The Mobilehome Residency Law Protection Program (MRLPP) is a limited-term program administered by HCD that provides assistance in resolving certain disputes between mobilehome homeowners and mobilehome park owners or managers relating to violations of the MRL, including issues relating to rental agreements, park management, termination of tenancy, fees charged by park owners, and more.² All complaints are reviewed, with the most egregious referred by HCD to local nonprofit legal aid offices for enforcement at no cost to the homeowner. In addition to the MRLPP, HCD also administers a Mobilehome Assistance Center (MAC) that receives and processes complaints from the public and from public officials relating to living in manufactured homes and mobile homes. MAC staff provide information, coordination, referrals, and other assistance to help resolve complaints generally related to the following:

- The operation of mobile home parks related to health and safety matters;
- The purchase, sale, financing, titling, and registration of manufactured homes and mobile homes; and,
- The installation, inspection, and maintenance or alteration of manufactured homes, mobile home accessory structures, and park grounds.

Some County agencies play a minor role in enforcement of public health and safety issues at mobile home parks in the County unincorporated area. In the past, the Environmental Health Division has, at the request of HCD staff, responded to resident complaints at mobile home parks in Ventura County, including notably when there is an imminent threat to public health and safety due to improper septic or wastewater disposal. Sean Debley, a manager in the Environmental Health Division, confirmed that the division has received a few complaints regarding Casitas Springs Mobile Home Park in 2020 that were referred

The MRLPP is a limited-term program beginning July 1, 2020, and ending January 1, 2024, unless the program is extended by the state legislature.

to HCD for action; Environmental Health Division staff does not typically receive a response from HCD after it has completed its investigation or forwarded a complaint. Email communications between Sean Debley and HCD staff are attached as Exhibit 4.

In addition, the County's Weights and Measures Division serves a role at mobile home parks by providing systematic inspection and testing of measuring devices such as electrical meters, gas meters, and water meters. The Weights and Measures Division typically recommends that meters be inspected on a 10-year basis, with approximately 10% of meters at a property inspected annually. The Weights and Measures Division responds to complaints from concerned citizens in the community that are specifically related to its area of jurisdiction. Anthony McInally, Supervising Inspector with the Weights and Measures Division, inspected Casitas Springs Mobile Home Park on April 3, 2023. At that time, Weights and Measures staff found violations related to electrical meters that had not been calibrated within the last 10 years (some dating back to 2001). The Weights and Measures Division has its own enforcement process to ensure compliance with necessary meter inspections and calibrations.

As noted above, HCD is the statutorily designated enforcement agency for health and safety violations at mobile home parks and special occupancy parks. Therefore, Planning Division staff contacted HCD to determine whether any recent complaints were received and investigated by that agency. Planning Division staff learned that following resident complaints, HCD staff inspected the park on October 9, 2019. At that time, HCD staff identified both park and resident violations. At a subsequent inspection in March 2020, there were still uncorrected violations outstanding. According to HCD staff, as of November 24, 2022, there were active complaints still under investigation by HCD dating back to December 9, 2021 (Exhibit 5); however, most of the stated issues at the park involve alleged violations of the MRL.4 HCD staff declined to disclose to Planning Division staff the nature of the complaints they received or whether the complaints covered similar issues as those included in the Petition. However, HCD staff confirmed its staff reviewed all formal complaints submitted to them. Though HCD staff was unwilling to directly share the results of their investigation at this park, they did share that most of the complaints received, if not all, did not identify a specific lot and/or involved a complaint which was a violation of the MRL.5

As mentioned, HCD provides assistance in responding and resolving certain complaints regarding mobile home parks. On November 16, 2022, Deane Brock, a resident at Casitas Springs Mobile Home Park and one of the petitioners to the Petition, provided information to Planning Division staff demonstrating that he had individually submitted a

Anthony McInally, Weights & Measures Supervising Inspector, Agricultural Commissioner's Office, phone conversation with Ventura County Planning Division staff, April 4, 2023.

⁴ Mark Yarber, Codes and Standards District Representative II, California Department of Housing and Community Development, phone conversation with Ventura County Planning Division staff, November 22, 2022.

⁵ Ibid.

complaint to HCD that included several of the issues raised in the Petition and additional items; HCD subsequently referred Mr. Brock to an attorney, Mr. Terry D. Stark, who works for California Rural Legal Assistance. Correspondence related to this matter is included in Exhibit 6. As of this writing, Planning Division staff does not have further information regarding this private dispute which is being handled by HCD using its new protocols, separate from the Petition before your Board.

C. Planning Division Staff Site Inspection

The Petition alleges nine service reduction issues and accompanying photographic documentation. Specifically, concerns involve the park's electrical service, septic tank maintenance, laundry facilities, tree maintenance, power meter maintenance, MRL notices, and other provisions related to the MRL.

On December 20, 2022, Planning Division staff, Tricia Maier and Dillan Murray, met with Glenn Berry, petitioners' representative, Benjamin Garcia, park owner, and James Garcia, park manager, at Casitas Springs Mobile Home Park to discuss and inspect the alleged service reductions within the park. At the inspection, Planning Division staff witnessed and/or received information on the following items, grouped per Petition issue area:

Table 1: December 20, 2022, Inspection Results

Petition Issue Area	Inspection Notes
Electrical Service	Approximately nine power poles are planned to be replaced or improved in early 2023, including the installation of three new metal poles and the improvement of five to seven poles with concrete bases due to termite damage. At the time of inspection, work on the concrete bases had begun. Petitioners allege that they still experience power surges or brownouts ⁶ , while the
	park owner and manager contend that trailers with generators may have issues based on their design and power loads

According to Constant Power Services Ltd, a brownout occurs when the voltage drops or dips below the usual main supply level. It is similar to a sag – a short-term drop in voltage – but can last for anywhere from a few minutes through to several hours or even days. Brownouts tend to be caused by increased demand for power, shortages in network capacity, or extreme weather conditions putting additional strain on the electricity network.

	and constraints of the pre-existing electrical system at the park.
Septic Tank Maintenance	Petitioners allege sewage backups occur inside and outside homes, particularly at spaces 1-15, and that park management is inappropriately parking heavy vehicles above septic infrastructure. Planning Division staff viewed multiple septic system manholes; Planning Division staff did not witness evidence of any sewage backups. Park management disagreed that vehicle parking has affected septic system performance. The park manager indicated that the septic systems are pumped/emptied when they smell due for maintenance; park management does not have a regular maintenance schedule and septic tanks are different capacities.
Laundry Facilities	According to the park manager, the laundry room has two working washers and three dryers. Petitioners allege that there was only one washer out of three functioning for approximately one year until the manager fixed the belt on the second one in the weeks prior to Planning Division staff's inspection. The park owner stated their intent to purchase an industrial sized washing machine for the laundry room in the future.
Tree Maintenance	Trees were trimmed at some units a few weeks prior to Planning Division staff's inspection. According to the park manager, one tree was removed entirely from an area of the park adjacent to Highway 33 approximately 2-3 weeks prior to the inspection. According to the park owner, other trees are located within California Department of Transportation (Caltrans) right of way and removal or maintenance is within their purview. According to the park owner, the affected resident (space 36) of one large, overgrown tree has refused to allow removal or trimming of the tree due to their

	preference for the shade and privacy it provides. Trees near spaces 7 and 8 are planned to be trimmed in conjunction with the planned power pole improvements.
Power Meter Maintenance	Park management acknowledged they were behind on having electrical meters inspected by the Weights and Measures Division. The Weights and Measures Division typically recommends that all electrical meters are inspected over a 10-year rolling basis, with approximately 10% of meters at a property inspected annually.
MRL Noticing Requirements	Petitioners allege that park ownership/management has failed to post materials required by the MRL. Planning Division staff viewed some notices and a park map posted in the laundry room; the park map at the entrance was visibly faded. Planning Division staff recommended that park management familiarize themselves with any notices required to be posted per the MRL.

D. Information Submitted by the Park Owner

On February 8, 2023, the property owner submitted photographs to Planning Division staff (Exhibit 7) indicating that metal electrical poles had been installed and an updated park map had been posted at the park entrance. The property owner submitted additional photographs demonstrating alleged issues and conflict with particular tenants of Casitas Springs Mobile Home Park; Exhibit 7 only contains portions of the submittal from the park owner that are relevant to the pending Petition.

On March 22, 2023, the property owner submitted additional information to Planning Division staff (Exhibit 8) demonstrating work completed since December 2022. In addition to the work outlined above, the park owner provided a photograph of two new washing machines installed in the mobile home park's laundry room on February 8, 2023. Moreover, the park owner indicated that he planned to upgrade the electrical box for space 36 over the upcoming weekend.

III. STAFF ANALYSIS:

As summarized in Section I.D of this staff report, the Petition alleges nine service reduction issues.

To be considered for a rent reduction by the RRB, the issue must constitute a permanent or extended reduction of a significant housing service pursuant to Section 81005(f) of the Rent Control Ordinance. Pursuant to Section 81001 of the Rent Control Ordinance, "housing services" are:

"Services provided by the park owner related to the use of occupancy of a mobile dwelling unit space, including, but not limited to, water and sewer, natural gas, electricity, refuse, removal, management and administration (including employee salaries and fringe benefits), maintenance and repairs, supplies, advertising, recreation facilities, laundry facilities, parking, security services, insurance, property taxes, other governmental assessments, and other costs reasonably attributable to the operation of the park. The term 'housing services' shall not include legal fees or mortgage payments, whether for principal, interest, or both."

Based on staff's analysis of the alleged issues, staff recommends that your Board find that one of the nine alleged issues (specifically, Issue No. 3, which relates to a lack of fully functioning and adequate laundry facilities at the park for an 11-month period), amounted to a reduction in a specifically enumerated significant housing service for an unreasonable length of time without a corresponding reduction in the dollar amount of the space rent at the Casitas Springs Mobile Home Park, and to order a reduction of rent to affected tenants accordingly. Staff's analysis and recommendations as to this issue are set forth in Section III.A below.

As explained in Exhibit 9, staff does not recommend a reduction in rent for any of the eight remaining issues alleged in the Petition. Four of the remaining eight issues are unrelated to park amenities or to the use or occupancy of the mobile dwelling units at the park (Exhibit 3, Issue Nos. 6-9); thus, staff does not believe that they meet the definition of a housing service to be considered by your Board for a rent reduction. As for the four other remaining issues, staff has determined there is insufficient evidence to find that the alleged issues amount to a permanent or extended reduction of a specifically enumerated significant housing service as set forth in the Rent Control Ordinance and Resolution No. RRB16-001. Refer to Exhibit 9 for a detailed analysis of these remaining issues.

A. Issue No. 3 (Inoperable/Insufficient Laundry Facilities) Amounts to a Reduction in a Significant Housing Service

<u>Alleged Issue</u>: Inoperable/insufficient laundry facilities and the homeowners are not allowed to have washing machines in their homes. (Exhibit 3, Issue No. 3.)

<u>Submitted Petition</u>: According to the Petition, the park's manager is permitted to have a washing machine in his mobile home for personal use, but all other park tenants are forbidden to have one. Furthermore, there is only one operating washing machine (of the three machines installed) in the park laundry room. The other two washing machines were alleged to have been inoperable for at least

eight months at the time the initial August 17, 2022, service reduction petition was submitted to the County (Exhibit 2). Petitioners allege that the issue of the park's manager being permitted to have a washing machine in his mobile home for personal use, but all other park tenants being forbidden from having one, violates Civil Code section 798.23 of the MRL, which states that the park's management shall be subject to, and comply with, all park rules and regulations to the same extent as tenants and their guests.

<u>Staff Analysis</u>: According to the Petition, two of three washing machines had been substantially inoperable for at least eight months at the time of initial August 17, 2022 service reduction petition was submitted to the County. The November 16, 2022 Petition stated that the issue was ongoing. Based on the petitioners' alleged timeline, the laundry facilities were reduced beginning around January 1, 2022. As outlined in the Petition, petitioners allege it was extremely unusual for more than one machine to work at a time during the aforementioned time frame.

At the time of Planning Division staff's inspection on December 20, 2022, the park manager indicated that, in the past, the laundry room had three working washers and three dryers. All of them were coin-operated machines. On the date of the inspection there were two functioning washing machines in the park laundry room; the belt on one of the functioning washing machines was allegedly repaired in the weeks prior to the inspection. The park owner and manager did not specifically dispute the length of time that the laundry machines were inoperable, but contend that the machines became inoperable due to tenants overloading the machines; Planning Division staff could not verify this contention, but it does not absolve the park owner from providing functioning laundry facilities.

The park owner stated his intent to purchase an industrial sized washing machine for the laundry room in the future. Subsequently, on March 22, 2023, the park owner submitted additional information to Planning Division staff (Exhibit 8) demonstrating the installation of two newer (albeit used) industrial-sized washing machines in the park's laundry room on February 8, 2023. The two functioning original washers were removed from the laundry room and replaced by the two newer industrial-sized washers; however, a third inoperable washing machine remains onsite. According to information from the park owner's representative (Exhibit 10), the capacity of the original three top loading washing machines was 3.19 cubic feet each, for a total of 9.57 cubic feet. The two newer front loading machines have a capacity of 3.76 cubic feet each, for a total capacity of 7.52 cubic feet. This represents a reduction of about 2.05 cubic feet of wash capacity, which roughly translates to one standard laundry basket of clothing.

Planning Division staff determined that reducing, from three to one, the number of functioning washing machines for 36 households in the park represented a reduction in available laundry facilities from approximately January 1, 2022 to

approximately December 1, 2022, when the belt of one of the original washing machines was repaired. There continued to be some reduction in services (i.e., there were only two functioning washing machines instead of the originally provided three machines with two cubic feet less volume available for laundry services) from at least December 1, 2022 up until the present date and continuing so long as the original volume of wash capacity remains reduced.

Regardless of the reason for the inoperable machines during this time period, Planning Division staff determined that the park owner benefited financially by not replacing or repairing the machines sooner both by deferring or avoiding maintenance/replacement costs, and by saving the utility costs that would have otherwise been incurred if all machines were operational. Thus, staff has determined that the inoperable laundry facilities constitute a significant housing service that has been reduced for an unreasonable length of time without a corresponding reduction in the dollar amount of the space rent.

Therefore, staff recommends the January 1, 2022 to November 30, 2023 time frame (total of 11 months) as an estimate for when laundry facilities were reduced from the original three washers to one and the December 1, 2022 to May 31, 2023, time frame (total of 6 months) as an estimate for when only two washers were operable, for which a rent refund should be ordered that corresponds with this reduction of a significant housing service ("Rent Refund"). Moreover, staff recommends a rent reduction be applied monthly commencing on June 1, 2023, until adequate laundry facilities are fully restored ("Rent Reduction").

Since tenants are not allowed to install their own washing machines in their own homes, they were required to travel to clean their laundry when there were insufficient facilities available on-site. The closest public laundromat is located approximately 1.8 miles north of the park⁷ (3.6 miles round trip). Traveling there would have required additional time, gas, and expense. To quantify the cost to tenants, staff based its calculation on the cost of driving to a local laundromat once per week. A more detailed staff recommendation is enumerated later in Section III.B of this staff report.

In regard to the petitioners' allegation that the prohibition of in-house washing machines is a violation of Civil Code section 798.23 of the MRL, that issue is outside the scope of the Rent Control Ordinance and beyond the County's enforcement authority. As noted above, however, HCD is now available through the MRLPP to help mobile home homeowners resolve complaints related to the MRL. Participation in the MRLPP is voluntary and does not prevent mobile home homeowners from seeking legal advice from a licensed attorney or legal aid provider, or from bringing a legal action in court to enforce the MRL.

Google Maps, accessed March 23, 2023, available at https://www.google.com/maps.

<u>Staff Recommendation</u>: As discussed above, staff believes that the reduced and inoperable laundry facilities constitute a significant housing service that has been disrupted for an unreasonable length of time without a corresponding reduction in the dollar amount of the space rent. Therefore, staff recommends that your Board order a Rent Refund commensurate with the reduction in services for the time period covering January 1, 2022, through May 31, 2023, and apply a Rent Reduction commencing on June 1, 2023, until adequate laundry facilities are fully restored. Staff's recommended method of quantifying the amounts for the Rent Refund and Rent Reduction is described in Section III.B below.

B. <u>RECOMMENDED RENT REFUND AND RENT REDUCTION:</u>

As stated in Section III.A of this staff report, staff recommends that your Board apply a Rent Refund and Rent Reduction for the inoperable/insufficient laundry facilities issue identified in the Petition. Staff recommends your Board utilize the methodology described below which provides your Board with a reasonable and quantifiable means to establish a dollar amount for the reduction in laundry facilities by estimating the average added expense experienced by the tenants.

The Internal Revenue Service publishes standard mileage rates for computing the deductible costs of operating an automobile for business expense purposes. The standard mileage rate is based on an annual study of the fixed and variable costs of operating an automobile.⁸ For 2022, this rate was 58.5 cents per mile. According to Energy Star, the average American family washes about 300 loads of laundry each year or about 25 loads per month.⁹ While a mobile home household size tends to be smaller on average, it is reasonable to conservatively assume that park households could have met their laundry needs by making one trip to the nearest commercial laundry business once per week, or a total of 4.3 trips per month¹⁰, for the 17-month period (January 1, 2022 until May 31, 2023) that laundry facilities were reduced and/or disrupted at the park. For purposes of this analysis and staff report, "household" means all persons who are living together in the same mobile dwelling unit; all persons occupying the same space in a mobile home park shall be considered one household.

The following formula is used to determine the recommended Rent Refund based on the estimated cost per household arising from the deficient laundry facilities:

4.3 laundromat trips per month X 3.6 miles to the nearest laundromat round trip = 15.48 miles.

Internal Revenue Service, "IRS issues standard mileage rates for 2022," accessed March 23, 2023, available at https://www.irs.gov/newsroom/irs-issues-standard-mileage-rates-for-2022.

⁹ ENERGY STAR, "Why ENERGY STAR?," accessed March 23, 2023, available at https://www.energystar.gov/products/clothes washers.

Assuming 1 trip per week with 52 weeks in the year averages to 4.3 laundromat trips per month.

15.48 miles X 58.5 cents per mile (0.585) = \$9.06 per month.

January 1, 2022, to November 30, 2022 (when one of three original washers was operable)

 $$9.06 \times 11 \text{ months} = 99.66 $$99.66 \times 1/3 = $33.22 \text{ (proportionate park owner credit to account for the one functioning washer during this time period)}$ <math>\$99.66 - \$33.22 = \$66.44

December 1, 2022, to May 31, 2023 (when two washers were operable)

 $$9.06 \times 6 \text{ months} = 54.36 \$54.36 x 2/3 =\$36.24 (proportionate park owner credit to account for the two functioning washers during this time period) \$54.36 - \$36.24 = \$18.12

Total Rent Refund amount per space: $$66.44 + $18.12 = 84.56^{11}

Staff calculated that the reduced housing service would have cost each household a total of \$66.44 in added travel expenses for the January 1, 2022 to December 1, 2022 time period in which there was only a single functioning washer at the park, and a total of \$18.12 in added travel expenses for the December 1, 2022 to May 31, 2023, time period when there were two functioning washers, for a total of \$84.56 per household for the entire 17-month period that laundry services have been reduced at the park.

Note that, as of the date of this staff report, these housing services continue to be reduced and have not been fully restored; as such, staff recommends a Rent Reduction be applied monthly, commencing on June 1, 2023, until adequate laundry facilities are fully restored (e.g., three functioning washers are provided) as set forth below:

Rent Reduction Amount: future monthly rents to be reduced by \$3.02 until adequate laundry facilities are fully restored.

-\$9.06 x 1 month = \$9.06 -\$9.06 x 2/3 = \$6.04 (proportionate park owner credit to account for the two functioning washers)

¹¹ This \$84.56 total dollar amount assumes a tenancy has been established for the entire January 1, 2022, to May 31, 2023 period; however, the total refund amount should be prorated based on actual dates of tenancy using the dollar amounts set forth above such that a tenancy created on November 1, 2022, would be entitled to a prorated refund amount (e.g. \$6.07 for month of November + \$18.12 for December 1, 2022, to May 31, 2023 = \$24.19, plus ongoing dates of tenancy).

-\$9.06 - 6.04 = \$3.02

Please also note that the Rent Refund and Rent Reduction amounts provided above do not reflect a value related to tenants' time (e.g., value of their time spent commuting to/from the laundromat).

C. SERVICE REDUCTION PROCESSING COSTS:

According to Section 81005(f)(4) of the Rent Control Ordinance, should your Board find that a service reduction petition is justified and that a significant reduction in housing service has occurred, the park owner is responsible for all costs incurred by the County in processing the service reduction petition. Specifically, Section 81005(f)(4) states the following:

"Pursuant to the current Board of Supervisors'-adopted Planning Division Fee Schedule and Section 81017 (Penalties) of this Ordinance, when the Mobile Home Park Rent Review Board, following a Section 81009 public hearing, has determined that the affected tenants' Service Reduction Application/petition is justified and that a significant reduction in services occurred pursuant to Section 81011(c), the subject park owner(s) shall be responsible for all enforcement costs incurred by the County in processing the Service Reduction Application/petition (pursuant to the adopted contract hourly rate), which may include, but are not limited to, inspections, public reports, hearings, staff reports, and communications with the park owner and affected tenants. This is consistent with the Board of Supervisors policy of full cost recovery for all programs and the general legal principle that regulatory fees be reasonably related to the fee payer's burden on the regulatory system, including the recovery of costs associated with enforcement activities."

As of the date of this staff report, Planning Division staff has expended 62.3 hours in processing the Service Reduction Petition at a rate of \$168.80 per hour (Exhibit 12). Staff estimates an additional 8 hours of staff time will be required for the hearing on the petition for an estimated total of \$11,866.64 in enforcement costs to be billed to the park owner should your Board find that the petition is justified.

D. MOBILE HOME PARK RENT REVIEW BOARD HEARING NOTICE AND PUBLIC COMMENTS:

The Planning Division provided public notice regarding this Rent Review Board hearing in accordance with Government Code section 54954.2 (a)(1) of the Ralph M. Brown Act, which requires at least 72 hours' notice prior to a public meeting. As of the date of this staff report, Planning Division staff has not received any public comments.

E. RECOMMENDED ACTIONS:

Planning Division staff recommends that your Board take the following actions:

- 1. FIND, on the basis of the entire record and as set forth in this staff report, that the following specifically enumerated significant housing services were, and continue to be, permanently reduced or disrupted for an unreasonable length of time without a corresponding reduction in the dollar amount of the space rent, as set forth in the Rent Control Ordinance and Resolution No. RRB16-001: Casitas Springs Mobile Home Park has lacked fully functioning and adequate laundry facilities for all tenants since January 1, 2022 and, as of the date of this hearing, these housing services continue to be reduced and have not been fully restored;
- DETERMINE, on the basis of the entire record and as set forth in this staff report, that the following dollar amounts correspond to the lack of fully functioning and adequate laundry facilities at the Casitas Springs Mobile Home Park for the 17-month period from January 1, 2022 until May 31, 2023 (collectively, "Rent Refund Amounts"):
 - a. January 1, 2022, to November 30, 2022 (when one of three original washers was operable):
 - \$9.06 x 11 months = \$99.66
 - $$99.66 \times 1/3 = 33.22 (proportionate park owner credit to account for the one functioning washer during this period)
 - \$99.66 \$33.22 = \$66.44
 - b. December 1, 2022, to May 31, 2023 (when two washers were operable):
 - \$9.06 x 6 months = \$54.36
 - $$54.36 \times 2/3 = 36.24 (proportionate park owner credit to account for the two functioning washers during this time period) \$54.36 \$36.24 = \$18.12
 - c. Total Rent Refund Amount per space/household, assuming tenancy throughout the entire 17-month period from January 1, 2022, to May 31, 2023, shall be \$84.56; otherwise, the total Rent Refund Amount shall be prorated based on the actual dates of tenancy using the dollar amounts set forth above;
- 3. **DETERMINE**, on the basis of the entire record and as set forth in this staff report, that the following dollar amount corresponds to the lack of fully

functioning and adequate laundry facilities at the Casitas Springs Mobile Home Park that continues to exist at the park and that all future rents shall be reduced by this amount ("Rent Reduction Amount") until adequate laundry facilities are fully restored (e.g., three functioning washers provided):

a. Rent Reduction Amount to be applied monthly commencing on June 1, 2023, until adequate laundry facilities are fully restored:

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-$9.06 x 1 month = $9.06
-$9.06 x 2/3 = $6.04 (proportionate park owner credit to account for the two functioning washers)
-$9.06 - 6.04 = $3.02
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Future monthly rents to be reduced by \$3.02 until adequate laundry facilities are fully restored.

- 4. **DETERMINE**, on the basis of the entire record and as set forth in this staff report, that the Planning Division incurred in excess of \$11,866.64 in enforcement costs to process the Petition to date;
- 5. **ORDER** the owner of the Casitas Mobile Home Park to:
 - a. Reduce future monthly rents by \$3.02 for each space/household in the park as set forth above, until adequate laundry facilities are fully restored (e.g., three fully functioning washers provided) in which case the owner shall (1) notify the Planning Division in writing of the date in which laundry facilities have been fully restored and (2) provide evidence acceptable to the Planning Division that the facilities have been fully restored;
 - Within 30 days of this hearing date, issue refunds to each space/household in the park according to their dates of tenancy for the 17-month period of reduced laundry facilities from January 1, 2022 until May 31, 2023, as set forth above;
 - c. Within 45 days of this hearing date, notify the Planning Division in writing which spaces/households were refunded (including specific names and space numbers), their dates of tenancy, and their corresponding refund amounts;
 - d. Within 45 days of this hearing date, notify the Planning Division in writing of the Reduced Rent Amount applied to each space/household (including specific names and space numbers),

their dates of tenancy, and their corresponding space rent amounts;

- e. Within 30 days of this hearing date, pay the County \$11,866.64 for the Planning Division's enforcement costs incurred in processing this Petition to date; and
- f. Pay the County all Planning Division staff costs subsequently incurred on post-hearing matters that will be billed to the park owner by separate invoice(s).
- 6. **ADOPT** Resolution No. RRB23-001 (Exhibit 11) implementing the Rent Review Board's decision; and,
- 7. **SPECIFY** that the Planning Division is the custodian, and 800 S. Victoria Avenue, Ventura, CA 93009 is the location, of the documents and materials that constitute the record of proceedings upon which this decision is based.

If you have any questions concerning the information presented above, please contact Dillan Murray at (805) 654-5042 or via e-mail at Dillan.Murray@ventura.org.

Prepared by:

Reviewed by:

RICIA

Dillan Murray, Associate Planner Ventura County Planning Division (805) 654-5042 Tricia Maier, Manager Planning Programs Section (805) 654-2464

EXHIBITS

Exhibit 1 – Resolution No. RRB16-001 Service Reduction Procedures

Exhibit 2 – Service Reduction Petition, submitted August 17, 2022

Exhibit 3 – Service Reduction Petition, submitted November 16, 2022

Exhibit 4 – Electronic Mail from Sean Debley to Planning Staff, December 15, 2022

Exhibit 5 – Electronic Mail from Mark Yarber, California Department of Housing and Community Development, to Planning Staff, November 24, 2022

Exhibit 6 – Materials Submitted by Deane Brock, November 16, 2022

Exhibit 7 – Materials Submitted by Park Owner, February 8, 2023¹²

Exhibit 8 – Materials Submitted by Park Owner, March 22, 2023

Note: Exhibit 7 only contains portions of the submittal from the park owner that are relevant to this Service Reduction Petition.

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Exhibit 9 – Discussion of Alleged Issues (Nos. 1-2 and 4-9) that Staff Determined Do Not Constitute a Reduction in Significant Housing Services

Exhibit 10 – Electronic Mail from John Koskinen to Planning Staff, May 10, 2023

Exhibit 11 – Resolution No. RRB23-001

Exhibit 12 – Log of Planning Division Staff Time Expended